

1.0 Division of Facilities Construction and Management - Facilities Management

Summary

In addition to facilities construction and leasing, the Division of Facilities Construction and Management (DFCM) is also responsible for directing or delegating “maintenance and operations, preventive maintenance, and facilities inspection programs for any department, commission, institution, or agency except state institutions of higher or public education.” Included in this budget are building expenses such as utilities, janitorial, garbage collection, and security services.

The services provided by this program are generally related to state owned facilities. Private sector leased space usually includes maintenance as part of the lease rate.

Financing Summary

	FY 1999	FY 2000	
Financing	Estimated	Analyst	Difference
Dedicated Credits	\$16,284,200	\$16,415,700	\$131,500
Total	\$16,284,200	\$16,415,700	\$131,500

	FY 1999	FY 2000	
FTE/Capital Outlay	Estimated	Analyst	Difference
Authorized FTEs	113.3	113.3	
Authorized Capital Outlay	\$180,000	\$106,300	(\$74,000)
Retained Earnings	\$900,400	\$1,030,900	\$130,500

2.0 Budget Highlights

2.1 FY 2000 request includes net rate increases of \$144,108

The following chart reflects FY 2000 rate adjustments:

Program	FY 2000 Increase (Decrease)	Reason
Environmental Quality	(\$30,000)	Reduced expenses
DWS Fremont	20,000	Services Escalation
State Library	96,982	Remaining fiscal year funding
Rehabilitation Services	4,458	Additional space
Statewide Roofing	7,553	Additional demand
Statewide Paving	<u>4,993</u>	Additional demand
Total	<u>\$144,108</u>	

**2.2 DFCM is
Requesting A Change
in intent language**

In the past, DFCM has been able to add FTE to its payroll only if there were an equivalent reduction in another agency. As agencies bring new buildings online, expand current facilities or remodel they request maintenance assistance from DFCM. For example, this year DFCM will take on several DABC stores, a DABC warehouse and the expanded Courts facility in Farmington. So far, only two FTE from DABC have been identified for transfer to DFCM. To alleviate this problem, DFCM is requesting the following intent language:

It is the intent of the Legislature that DFCM's internal service fund may add FTEs beyond the authorized level if new facilities come on line or maintenance agreements are requested. Any added FTEs will be reviewed and approved by the Legislature in the next Legislative Session.

The Analyst notes that this is not an issue that can be handled with intent language. Utah Code 63-38-3.5 (3) says:

*An internal service fund agency may not bill another agency for services that it provides, unless the Legislature has:
(c) approved the number of full-time, permanent positions of the internal service fund agency as part of the annual appropriation process.*

A change of this nature requires statutory change. If there is no statutory change, the Analyst recommends private contracting in the interim to deal with this type of situation.

3.0 Programs: Division of Facilities Construction and Management - Facilities Management**3.1 Administration**

The Analyst is recommending revenues of \$16,415,700, capital outlay of \$106,300 and 113.3 FTEs for this program

	FY 1998	FY 1999	FY 2000
Revenue	Actual	Estimated	Analyst
Dedicated Credits	\$14,349,400	\$16,284,200	\$16,415,700
Total	\$14,349,400	\$16,284,200	\$16,415,700
Expenditures			
Personal Services	\$4,057,200	\$4,588,900	\$4,619,700
Sub -Total Travel			33,200
	19,100	33,500	
Current Expense			11,362,500
	10,016,000	11,376,600	
Data Processing			109,800
	109,300	109,200	
Capital Outlay			86,800
	64,900	84,000	
Pass-Through			110,900
	129,800	113,700	
Total	\$14,396,300	\$16,305,900	\$16,322,900
Net Operating Income	(\$46,900)	(\$21,700)	\$92,800
FTE Standard	107.2	113.3	113.3

Summary of Capital Outlay

The Analyst is recommending the following capital outlay:

Capital Assets	Analyst
Mid-Rider Lawn Mowers (3)	\$21,000
Quadrunner with Snowplow	6,500
CADD/3D Computer Workstation	9,000
MCRS Computer Software	69,800
TOTAL Purchases	\$112,300

ISF Summaries

The ISF summary sheets can be found following the 4.0 table.

4.0 Tables: Division of Facilities Construction and Management

	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Financing	Actual	Actual	Actual	Actual	Estimated	Analyst
Dedicated Credits	\$11,977,100	\$12,685,700	\$12,773,500	\$14,359,400	\$16,284,200	\$16,415,700
Total	\$11,977,100	\$12,685,700	\$12,773,500	\$14,359,400	\$16,284,200	\$16,415,700
	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Programs	Actual	Actual	Actual	Actual	Estimated	Analyst
Administration	\$11,977,100	\$12,685,700	\$12,773,500	\$14,396,300	\$16,305,900	\$16,322,900
Total	\$11,977,100	\$12,685,700	\$12,773,500	\$14,396,300	\$16,305,900	\$16,322,900
	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Expenditures	Actual	Actual	Actual	Actual	Estimated	Analyst
Personal Services	\$2,920,100	\$3,088,000	\$3,344,900	\$4,057,200	\$4,588,900	\$4,619,700
Travel	9,600	11,900	11,500	19,100	33,500	33,200
Current Expense	8,842,800	9,409,200	8,454,800	10,016,000	11,376,600	11,362,500
Data Processing	72,500	95,900	39,400	109,300	109,200	109,800
Depreciation	88,200	76,100	69,000	64,900	84,000	86,800
Other Charges	81,500	95,200	213,500	129,800	113,700	110,900
Total	\$12,014,700	\$12,776,300	\$12,133,100	\$14,396,300	\$16,305,900	\$16,322,900
Net Operating Income	(\$37,600)	(\$90,600)	\$640,400	(\$36,900)	(\$21,700)	\$92,800
	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
FTE/Capital Outlay	Actual	Actual	Actual	Actual	Estimated	Analyst
Authorized FTEs	94.5	98.5	101.5	107.16	113.3	113.3
Authorized Capital Outlay	\$97,600	\$5,600	\$67,800	\$93,200	\$180,000	\$106,300
Retained Earnings	\$466,500	\$375,900	\$1,012,900	\$884,100	\$900,400	\$1,030,900

1.0 Division of Facilities Construction and Management - Planning and Design

Summary

The space planning program was approved by the 1997 Legislature and implemented in the 1998 Fiscal Year. The program offers space planning and design services to state agencies. This program will assist agencies in obtaining space that best meets their programmatic needs while maximizing space utilization and ensuring adherence to building codes and space standards. The program will also ensure that building systems are correctly modified to meet the needs for new space. Funding for this program comes from statewide budgets within DFCM capital budget

Financing

	FY 1999	FY 2000	
Revenues	Estimated	Analyst	Difference
Dedicated Credits	\$291,600	\$291,600	\$66,300
Total	\$291,600	\$291,600	\$66,300
Authorized FTEs	3.97	3.40	(0.57)
Authorized Capital Outlay	\$0	\$0	\$0

2.0 Budget Highlights

Note of Concern

This program was established to assist agencies in planning for expansion, downsizing, or general space utilization improvements. In the past, agencies usually hired their own consultants, since the costs were under the \$100,000 DFCM threshold, or an agency itself may have done this work..

The premise for the establishment of this in-house program was that agencies were paying more in consultant fees and/or not getting the desired level of service. In addition, there was concern that some agencies were not qualified to do this planning.

While the Analyst is supportive of the program, there is concern that the success of the program comes from the ability to generate sufficient revenue from agency needs. It is hoped that in order to support the program, DFCM does not find itself doing space planning programs on a “nice to have” basis simply to generate enough revenue to support the program.

Although the state may save money over private sector costs per project, DFCM is hiring FTE’s that must paid regardless of the workload.

Future support of this program will be contingent on the ability of DFCM to clearly demonstrate that, based on prior state expenditures for planning, there is indeed a savings to the state. In addition, completed projects must clearly demonstrate there was a compelling need for the project. Certainly, the development of a space allocation inventory, whereby we know what agencies currently occupy is a step in the right direction. During the interim, the Analyst will work with DFCM to develop performance measures for this program.

3.1 Programs: Facility Management - Planning and Design**Recommendation**

The Analyst is recommending revenues of \$291,600 and 3.90 FTEs for this program.

	FY 1998	FY 1999	FY 2000	
Revenue	Actual	Estimated	Analyst	Difference
Dedicated Credits	\$74,700	\$291,600	\$291,600	
Total	\$74,700	\$291,600	\$291,600	
Expenditures				
Personal Services	\$100,800	\$192,800	\$193,400	\$600
Travel	1,200	3,900	1,600	(2,300)
Current Expense	24,500	23,900	23,900	
Data Processing	10,700	21,400	21,400	
Capital Outlay	5,500	11,700	13,600	1,900
Total	\$142,700	\$253,700	\$253,900	\$200
Net Operating Income	(\$68,000)	\$37,900	\$37,700	(\$200)

Summary

The space planning program was approved by the 1997 Legislature and implemented in the 1998 Fiscal Year. The program offers space planning and design services to state agencies. This program will assist agencies in obtaining space that best meets their programmatic needs while maximizing space utilization and ensuring adherence to building codes and space standards. Funding for this program comes from statewide budgets within DFCM administration.

4.0 Tables: Division of Facilities Construction and Management - Planning/Design

	FY 1998	FY 1999	FY 2000
Financing	Actual	Estimated	Analyst
Dedicated Credits	\$74,700	\$291,600	\$291,600
Total	\$74,700	\$291,600	\$291,600
	FY 1998	FY 1999	FY 2000
Programs	Actual	Estimated	Analyst
Facilities Management	\$142,800	\$291,600	\$291,600
Total	\$142,800	\$291,600	\$291,600
	FY 1998	FY 1999	FY 2000
Expenditures	Actual	Estimated	Analyst
Personal Services	\$100,800	\$192,800	\$193,400
Travel	1,200	3,900	1,600
Current Expense	24,500	23,900	23,900
Data Processing	\$10,700	\$21,400	\$21,400
Depreciation	\$5,500	\$11,700	\$13,600
Total	\$142,700	\$253,700	\$253,900
Net Operating Income	(\$68,000)	\$37,900	\$37,700
	FY 1998	FY 1999	FY 2000
FTE/Capital Outlay	Actual	Estimated	Analyst
Authorized FTEs	2.97	3.97	3.40
Authorized Capital Outlay	-	-	-
Retained Earnings	(\$68,000)	(\$30,100)	\$7,600

1.0 Division of Facilities construction and Management - Roofing and Paving**Summary**

The roofing and paving program was authorized in FY 1998 as a means to improve the life cycle of state facilities. In addition to inspections, repairs, and maintenance, the program is responsible for identifying, specifying, and managing all roofing and paving projects.

A roofing and paving database has been created to assist DFCM in managing the State's roofing and paving systems.

Training in roofing and paving maintenance techniques will occur for State facilities maintenance personnel during the winter months. The training will increase the number of personnel available for periodic roofing and paving inspections and will improve the skills needed for proper maintenance on these systems.

Funding comes from the statewide budgets within DFCM administration.

Financing Summary

	FY 1999	FY 2000	
Financing	Estimated	Analyst	Difference
Dedicated Credits	\$447,400	\$459,900	\$12,500
Total	\$447,400	\$459,900	\$12,500
Authorized FTEs	6.37	6.80	0.43

2.0 Budget Highlights**2.1 Cost of Study and Design**

Last year the Analyst expressed concern at the amount of funds spent on architectural consulting on roofing projects. The following table details the total amount spent on roofing projects during Fiscal Year 1997, 1998 and 1999.

Design	\$785,455	6.40%
Inspection/Testing	363,778	2.96%
Construction	11,132,410	90.64%
Total	\$12,281,643	

3.1 Recommendation

The Analyst is recommends revenues of \$459,900 and 6.80 FTEs for this program

	FY 1998	FY 1999	FY 2000	
Revenue	Actual	Estimated	Analyst	Difference
Dedicated Credits	\$330,500	\$447,400	\$459,900	\$12,500
Total	\$330,500	\$447,400	\$459,900	\$12,500
Expenditures				
Personal Services	\$262,600	\$375,500	\$376,700	\$1,200
Travel	12,700	17,900	19,800	1,900
Current Expense	50,200	47,400	56,800	9,400
Data Processing	3,800	2,700	2,700	0
Capital Outlay	1,200	3,900	3,900	0
Total	\$330,500	\$447,400	\$459,900	\$12,500
Net Operating Income	\$0	\$0	\$0	\$0

Summary

The roofing and paving program was authorized in FY 1998 as a means to improve the life cycle of state facilities. In addition to inspections, repairs, and maintenance, the program is responsible for identifying, specifying, and managing all roofing and paving projects.

This program was initiated to address the following issues:

- ▶ The state's roofs and parking lots are failing prematurely resulting in early replacement.
- ▶ Inspections for new and replacement construction is not being conducted consistently and on a timely basis
- ▶ The current program does not address statewide inspections or repair annually. It is limited in scope and there have been numerous complaints regarding the programs inability to adequately address agency needs immediately.
- ▶ The successful Utah Correctional Industries roofing repair program is underutilized and needs more projects.

This DFCM program is designed to change the previous roofing and paving program. The Facilities Management Section oversees an annual inspection of roofs and pavement areas. The goal is to improve the life expectancy of the roofs. The purpose of both the roofing and pavement program is:

- ▶ To improve the number of inspections, to provide an inspection of each roof and parking area.
- ▶ To develop a database of all state roofs and paved lots to include current condition and anticipated remaining life.
- ▶ To use the database to identify roofs and paved lots which are most critical and to more aggressively replace or maintain.

The ultimate program objectives are:

- ▶ Enhanced quality control thereby reducing premature failures
- ▶ In-house architectural services, thus eliminating high fees on small projects.
- ▶ Life expectancy of roofing and paving projects will be increased, resulting in overall savings to the state.
- ▶ First year funding to come from statewide roofing and paving account
- ▶ Subsequent years to be funded through service rates.

4.0 Tables: Division of Facilities Construction and Management - Roofing/Paving

Statement of Revenues and Expenses

	FY 1997	FY 1998	FY 1999	FY 2000
Financing	Actual	Actual	Estimated	Analyst
Dedicated Credits	\$112,300	\$330,500	\$447,400	\$459,900
Total	\$112,300	\$330,500	\$447,400	\$459,900
Programs	FY 1997	FY 1998	FY 1999	FY 2000
	Actual	Actual	Estimated	Analyst
Facilities Management	\$112,300	\$330,500	\$447,400	\$459,900
Total	\$112,300	\$330,500	\$447,400	\$459,900
Expenditures	FY 1997	FY 1998	FY 1999	FY 2000
	Actual	Actual	Estimated	Analyst
Personal Services	\$87,200	\$262,600	\$375,500	\$376,700
Travel	2,700	12,700	17,900	19,800
Current Expense	14,000	50,200	47,400	56,800
Data Processing	7,400	3,800	2,700	2,700
Depreciation	700	1,200	3,900	3,900
Total	\$112,000	\$330,500	\$447,400	\$459,900
Net Operating Income	\$300	\$0	\$0	\$0
FTE/Capital Outlay	FY 1997	FY 1998	FY 1999	FY 2000
	Actual	Actual	Estimated	Analyst
Authorized FTEs	2.00	4.37	6.37	6.80
Authorized Capital Outlay	\$0	\$0	\$0	\$0
Retained Earnings	\$300	\$300	\$300	\$300